GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2320
ANSWERED ON:08.12.2011
DIFFERENCE IN PRICES OF BRANDED GENERIC MEDICINES
Lal Shri Kirodi

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whetier there is a big difference between the prices of the branded generic medicines in the country and the same medicines supplied and sold by Jan Aushadhi Stores;

(b) if so, the details thereof and the reasons therefor;

(c) the difference between the prices of the non-branded generic medicines being sold by Jan Aushadhi Stores and the prices of branded medicines being sold in the open markst in various parts of the country; and

(d) the total number of the medicines and formulations under price control order and without price control order respectively? ANSWER MIMSTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (c) Yes Sir. A comparison of prices of few medicine is illustrated as below:-

Name of salt	Dosage	Pack	Average Market Price of Branded Medicines (Rs.)	Prices of Generic Medicin es sold at Jan Aushadhi Stores (Rs.)	Difference
Antibiotic: Cijrofloxacin	250 mg	10	55.00	11.10	5 times higher
Pain Killer: Di;lofenac	100 mg	10	36.70	3.35	10 times higher
Common Cold; Cetrizme	10 mg	10	20.00	2.75	7 times higher
Fever: Paraceiamol	500 mg	10	10.00	2.45.	4 times higher
Pain & Fever Nimesulide	lOOmg	10	25.00	2.70	9 times higher

Cough Syrup Bottle	110ml	33.00	13.30	2.5 times higher

The difference in the prices can be attributed primarily due to following reasons:-

In the case of branded medicines, because of competition, extensive and intensive promotional efforts are generally required to sell the products which may result in heavy expenses, whereas in the case of sale of generic drugs through the Jan Aushadhi Stores, medicines are being supplied directly to the stockists/retailers at comparatively low margins. In the case of Jan Aushadhi medicines, there is a conscious decision to keep the prices of the medicines at affordable levels for the benefit of common man unlike . branded medicines the decision to keep the prices low or high is decided by the company.

In the case of scheduled drugs, the prices of 74 bulk drugs and the formulations containing any of these scheduled dmgs are controlled under the provision of the Dmgs (Price Control) order, 1995. NPPA/Govt. fixes or revises prices of scheduled drugs/formulations as per the provisions of the DPCO, 1995. No one can sell any scheduled drug/formulation at a price higher than the price fixed by NPPA/Govt. Therefore, there cannot be price variation in cases of scheduled drugs.

In respect of drugs-not covered under che Drugs (Prices Control) Order, 1995 i.e. non-scheduled drugs, manufacturers fix the prices by themselves without seeking the approval of Government/NPPA. Such prices are normally fixed depending on various factors like the cost of bulk drugs used in the formulation, cost of excipients, cost of R&D, cost of utilities/packing material, trade margins, quality assurance cost, landed cost of imports etc.